## HIGH SCHOOL SENIORS Write an essay & Get-a chance to Bally & B

Prizes will be away

The following prizes will be awarded to the winners of each category:

## SENIOR STUDENTS

- S 1st Place-(Level A) Two \$5,000 Cash Prizes
- S 2nd Place-(Level B) Two \$3,000 Cash Prizes
- § 3rd Place-(Level C) Two \$2,000 Cash Prizes
- S 4th Place-(Level D) Two \$1,000 Cash Prizes

## SPONSOR-TEACHERS

- \$ \$500 Cash prize to the teacher who sponsors the most qualifying essays from their school. (In case of a tie, there will be a random drawing for the winner)
- § \$500 cash prize to the winning teacher in a random drawing of all the participating Sponsor/Teachers (One entry per teacher regardless of number of sponsored essays).
- \$ \$500 cash prize to the Sponsor-Teachers of the two level "A" winners.
- S \$300 cash prize to the Sponsor-Teachers of the two level "B" winners.
- \$ \$200 cash prize to the Sponsor-Teachers of the two level "C" winners.
- **S** \$100 cash prize to the Sponsor-Teachers of the two level "D" winners.

## To enter you must write an essay on: How to Create Financial Independence By Understanding Five Principles of Investing

- 1. Choose an Investment Adviser who is registered in South Dakota and research what services they provide, how they receive payment for services, and the registration process. Discuss the fiduciary standard that investment advisers must follow when making recommendations to clients.
- 2. Using a financial calculator, illustrate how you can obtain \$1,000,000 by the age of 62. To attain this goal, you must use at least three different investments from among the following: stocks, bonds, mutual funds and CDs using the current rate of return for the specific investments. Research and discuss the reasons why \$1 million may not be enough money for your generation to retire.
- 3. Discuss two different investment products in each level of the pyramid of investment risk: low, medium, high. Explain how an individual's age affects the extent to which they should have investments at each risk level.
- 4. Discuss how much a \$100 bond would earn over ten years using simple interest in one example and compound interest in another example.
- 5. Explain two types of investment fraud, give specific detailed examples within the past five years, and discuss how to protect yourself. Describe several sources you can consult to receive additional information on the investment.

Funded by a grant from the Investor Protection Trust, www.investorprotection.org

www.state.sd.us/securities/essay.htm

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